

(R. 79-490)

RESOLUTION NO. 221851 SEP 18 1978

RESOLUTION OF THE COUNCIL OF THE CITY OF
SAN DIEGO, CALIFORNIA, DIRECTING THE CITY CLERK
TO GIVE NOTICE INVITING SEALED BIDS FOR THE
PURCHASE OF IMPROVEMENT BONDS.

(Park District No. 19 - Del Cerro Open Space)

WHEREAS, the Council adopted a resolution approving a
Report of the City Manager under the San Diego Park District
Procedural Ordinance of 1969, as amended (Division 8 thereof),
and Resolution of Intention No. 221849, and pro-
viding for a hearing thereon; and

WHEREAS, it is desirable that, prior to said hearing,
bids be received for the purchase of bonds to be issued pursuant
to the Improvement Act of 1911 to represent unpaid assessments;

NOW, THEREFORE, BE IT RESOLVED, by the Council of The
City of San Diego, as follows:

Section 1. Sealed bids for the purchase of said bonds
shall be received at the time and in the manner stated in the
following notice. The City Clerk is directed to publish said
notice once in The Daily Transcript. Said notice shall be substan-
tially as follows:

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NOTICE INVITING SEALED BIDS
ON 1911 ACT BONDS OF THE
CITY OF SAN DIEGO, CALIFORNIA

(Park District No. 19 - Del Cerro Open Space)

NOTICE IS HEREBY GIVEN that pursuant to the provisions of the Improvement Act of 1913 (commencing with Section 10000, Streets and Highways Code) as incorporated by reference in Division 8 of the San Diego Park District Procedural Ordinance of 1969, as amended, sealed bids for improvement bonds of The City of San Diego to be issued pursuant to the provisions of the Improvement Act of 1911 (Part 5 of Division 7 of the Streets and Highway Code) are invited and will be taken as herein provided.

TIME AND PLACE FOR FILING AND OPENING OF BIDS. Bids must be sealed and filed with the Purchasing Department, 3rd Floor, City Operations Building, 1222 First Avenue, San Diego, California 92101, up to, but not later than 11:00 a.m., on OCT 30 1978. Bids may be delivered personally or mailed to the Purchasing Department at the above address. All bids so filed will be immediately opened, examined and declared by the Purchasing Agent or his designated representative in Conference Room No. 2 on the second floor of said City Operations Building. The Purchasing Agent will thereafter report the results of said bidding to the Council.

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BID FORM. Forms of bids for the purchase of the bonds are provided by and may be obtained from the Purchasing Agent. All bids shall be submitted in substantially the same form as that provided by the Purchasing Agent.

THE PROJECT AND ASSESSMENT DISTRICT. The project generally consists of the acquisition of certain open space lands in the Del Cerro area of the City for public park, playground and urban open space lands purposes. The acquisition and the district to be assessed to pay the costs and expenses thereof are wholly within the City of San Diego and lie generally immediately east of College Avenue, north of Interstate Highway 8, and south of Del Cerro Boulevard, all as more particularly described in the Report of the City Manager on file in the office of the City Clerk.

ASSESSMENT. The amount of the proposed assessment is \$219,000. The estimated cost of the entire project as shown in the Report of the City Manager is:

Estimated cost of acquisition, including closing costs	\$200,000
Estimated incidental expenses	5,000
Estimated bond discount	10,000
Estimated counsel fees	<u>4,000</u>
Total estimated costs and expenses to be assessed upon property within assessment district.	<u><u>\$219,000</u></u>

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Until the confirmation of the diagram and assessment contained in said Report, the Council has the power and reserves the right to make changes in the proposed assessment district, the acquisition, the assessment and diagram and any other act, determination or provision made, or permitted to be made, by the Council under the Municipal Improvement Act of 1913. Changes may be made in the amount of the assessment, as may be required should the actual costs differ from the foregoing estimates.

HEARING ON REPORT, CONFIRMATION AND RECORDATION OF ASSESSMENT AND AWARD OF BONDS. The above-mentioned Report and the proposed assessment contained therein has been set for hearing by the Council of the City at 2:00 p.m., on OCT 31 1978. Upon the conclusion of the hearing, which may be continued from time to time, the Council, in its discretion, may abandon the proceedings, make changes therein or may confirm said assessment as filed with the City Clerk or as modified or corrected by the Council. The award of the bonds, if any, will be made following the conclusion of said hearing and the confirmation of said assessment. The assessment will be recorded in the office of the Street Superintendent not later than the day following its confirmation.

DESCRIPTION OF BONDS. The Council has determined that bonds are to be issued under the Improvement Act of 1911. The bonds are to be issued to represent each assessment of \$50 or more remaining unpaid for thirty (30) days after the date of

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recordation of the assessment. The bonds will be dated not earlier than the thirty-first day after such recordation. The bonds will be serial bonds and will extend over a period ending nine (9) years from the second day of January next succeeding the next September 1st following their date. Pursuant to Section 6464, Streets and Highways Code, the Council has elected to have the redemption provisions of the bonds provide for a premium of five percent (5%) of the unmatured principal of the bonds.

It is expected that the bonds will be dated on or about December 1, 1978. The bonds will be payable in ten (10) annual installments represented by principal coupons payable on January 2 of the years 1980 to 1989, inclusive. The first interest coupon will represent interest from the date of the bonds to July 2, 1979, and thereafter interest coupons will represent semiannual interest on the unpaid balance.

PRINCIPAL AMOUNT OF BONDS. The principal sums of the individual bonds will vary in amounts. The aggregate principal amount of bonds to be issued cannot, and will not, be determined until after the expiration of thirty (30) days from the date of recording the assessment.

INTEREST RATE. The interest rate may not exceed eight percent (8%), payable semiannually. The interest rate must be a multiple of 1/100th of 1 percent. Only a single interest rate shall be a bid for all of the bonds to be issued.

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AWARD. The bonds will be sold for cash only. All bids must be for not less than all of the bonds to be issued, and any bid for less than all of the bonds or for varying rates of interest shall be rejected. The bonds will be awarded to the highest responsible bidder, considering the interest rate specified and the premium or discount, if any, designated by the bidder. For the purpose only of comparing bids it will be assumed (i) that bonds will be issued in a principal amount equal to the total estimated amount to be assessed upon property within the assessment district, namely the sum of \$219,000.00 and (ii) that the bonds will be dated December 1, 1978. The highest bid will be determined by deducting the premium from, or adding the discount to, the total amount of interest which would be required to be paid from the date of the bonds on the decreasing balances thereof to January 2, 1989, at the coupon rate specified in the bid. The award will be made on the basis of the lowest net interest cost. If there shall be tie bids, the highest bid will be determined by lot.

TIME OF AWARD. The City will take action awarding the bonds or rejecting the bids not later than 72 hours after the time above-specified for the filing of bids; provided, that the award may be made after the expiration of such time if the successful bidder shall not have given the Council notice in writing of the withdrawal of his bid.

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GOOD FAITH CHECK. A certified or cashier's check on a responsible bank or trust company in the amount of \$10,000 payable to the order of the City must accompany each proposal as a guarantee that the bidder, if successful, will accept and pay for the bonds in accordance with the terms of his bid. The proceeds of the check accompanying any accepted proposal will be applied on the purchase price; provided, that if the successful bidder fails to perform in accordance with the terms of this notice and of his bid said proceeds will then be retained by the City. The check accompanying each unaccepted proposal will be returned promptly.

DELIVERY. Delivery of said bonds will be made to the successful bidder at the office of the Treasurer, City Administration Building, 202 "C" Street, San Diego, California. It is expected that the bonds will be delivered within 75 days from the date of sale thereof. The successful bidder shall have the right, at his option, to cancel the contract of purchase if the Treasurer shall fail to execute the bonds and tender them for delivery within said 75-day period, in which event the successful bidder shall be entitled to the return of the good faith check accompanying his bid. At the time of delivery the purchaser must pay accrued interest from the date of the bonds to the date of delivery, computed on a 360-day year basis.

LEGAL OPINION; COST OF PRINTING BONDS. The unqualified opinion of Richard A. Burt, attorney, of the firm of GRAY, CARY, AMES & FRYE, San Diego, approving the validity of said bonds will

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be furnished to the successful bidder at or prior to the date of delivery of the bonds at the expense of the City. The cost of printing bonds will be borne by the City and will not be payable by the successful bidder.

RIGHT OF REJECTION. The Council reserves the right in its discretion to reject any and all bids and, to the extent authorized by law, to waive any irregularity or informality in bid.

CITY PURCHASE OF BONDS ON PROPERTY OF LOW-INCOME OWNERS. Division 19 (commencing with Section 61.1900) of Article 1, Chapter VI of the San Diego Municipal Code, authorizes the City Manager, on behalf of the City, to purchase bonds to be issued upon the real property of "low-income owners," as that term is defined therein. Pursuant to Section 61.1911 of the Municipal Code, the City hereby reserves and has the right to purchase any such bonds at a purchase price equal to the principal amount of the bonds plus accrued interest from the date of the bonds to the date of bond delivery.

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GIVEN BY ORDER of the Council of The City of San Diego,
California, on SEP 18 1978.

CHARLES G. ABDELNOUR
CITY CLERK, THE CITY OF SAN DIEGO,
CALIFORNIA

APPROVED:

JOHN W. WITT, City Attorney

By Janis Sammartino Gardner
Deputy

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Passed and adopted by the Council of The City of San Diego on SEP 18 1978,
by the following vote:

Councilmen	Yeas	Nays	Excused	Absent
Bill Mitchell	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Maureen F. O'Connor	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Bill Lowery	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Leon L. Williams	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Fred Schnaubelt	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Tom Gade	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Larry Stirling	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Jose D. Haro	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Mayor Pete Wilson	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

AUTHENTICATED BY:

PETE WILSON
Mayor of The City of San Diego, California.

CHARLES G. ABDELNOUR
City Clerk of The City of San Diego, California.

By Betty Gushki, Deputy.

RECEIVED
CITY CLERK'S OFFICE
1978 SEP 14 PM 12:47
SAN DIEGO, CALIF.

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Office of the City Clerk, San Diego, California

Resolution 221851 Adopted SEP 18 1978
Number